



DEPARTMENT OF TRANSPORTATION

Funding Highlights:

- The mission of the Department of Transportation (DOT) is to ensure that the Nation has the safest, most efficient, and modern transportation system in the world. The Department also ensures the system improves the quality of life for all American people and communities, from rural to urban, and increases the productivity and competitiveness of American workers and businesses.
- The Budget proposes a historic 10-year, \$810 billion reauthorization of surface transportation programs, including highway, transit, rail, highway safety, and hazardous materials safety programs, including important reforms to provide critical investments in the Nation's transportation infrastructure. The Budget includes an additional \$190 billion for additional infrastructure investments, across a range of sectors, for a total of \$1 trillion in infrastructure investment.
- The Budget eliminates a required set-aside for the Transportation Alternatives program that restricts States from choosing the most meritorious projects. This elimination provides additional flexibility to use the resources within the Surface Transportation Block Grant Program to support projects that rehabilitate or expand highways in a manner that supports interstate or regional commerce.
- The Budget requests \$21.6 billion in discretionary budget authority for 2021, a \$3.2 billion or 13-percent decrease from the 2020 enacted level. The Budget also provides \$66.2 billion in mandatory contract authority and obligation limitations, a \$5 billion or 8-percent increase from the 2020 enacted level.

The President's 2021 Budget:

DOT is responsible for supporting and enabling a high functioning transportation system—to move both people and goods safely and efficiently in order to support jobs and economic growth. The Budget supports necessary investments that ensure the Nation's air, surface, and maritime transportation systems are safe.

The Budget proposes a 10-year reauthorization of surface transportation programs, including \$755 billion in mandatory spending from the Highway Trust Fund, and \$55 billion in authorizations of discretionary budget authority from the General Fund. Combined with the Administration's separate proposal on investing an additional \$190 billion in infrastructure across multiple sectors, including transportation, the Budget provides \$1 trillion in direct Federal investment in infrastructure.

New Initiative to Help Rural Communities Access DOT Financial Assistance

As part of its commitment to ensuring that all communities can access and compete for DOT financial assistance, the Administration announced the Rural Opportunities to Use Transportation for Economic Success (ROUTES) Initiative. Under this initiative, the Build America Bureau and other modes will offer rural stakeholders additional resources and support to identify and apply for DOT financial assistance. The initiative was created with the recognition that rural communities have important infrastructure needs (e.g., a disproportionate amount of highway fatalities occur in rural areas), but often lack the capacity to develop competitive applications for DOT financial assistance. The ROUTES Initiative builds on other DOT initiatives to address the unique needs of rural areas, such as the Transportation Infrastructure Finance and Innovation Act loan program's rural project initiative and the Railroad Rehabilitation and Improvement Financing Express loan program initiative.

Invests in America's Surface Transportation Infrastructure. The FAST Act authorized contract authority and discretionary budget authority for highway, transit, rail, and hazardous material programs through 2020. The Budget proposes to reauthorize all modes included in the FAST Act, but also streamline and consolidate accounts and programs to improve efficiencies and program effectiveness. The Budget also proposes to end the recent practice of appropriating additional discretionary budget authority for the highway and transit formula programs, and instead reflect that funding through higher contract authority levels provided from the Highway Trust Fund. In total, the Budget proposes an 8-percent increase in 2021 for highway and transit formula programs from the level provided in the last year of the FAST Act. The Budget also provides for a 3.8-percent increase to the National Highway Traffic Safety Administration (NHTSA) and the Federal Motor Carrier Safety Administration (FMCSA) from the level provided in the last year of the FAST Act.

Reauthorizes Highway Programs. The Budget provides \$50.7 billion in 2021 and \$602 billion over the 10-year reauthorization period for Federal Highway Administration (FHWA) programs. The proposal would provide States and other stakeholders the resources and certainty to build a strong, modern, and world-class highway infrastructure network that advances the Nation's safety, economy, mobility, and global competitiveness. The proposal responds to input from FHWA's partners and stakeholders, by continuing to expand program and funding flexibilities for States, and removing

red tape and other barriers to innovation and efficiency. The proposal also maintains safety as the number one focus. These reforms are guided by the recognition that States and localities, not the Federal Government, are best equipped to understand the infrastructure challenges and investments needs of their communities.

Reauthorizes Transit Programs. The Budget provides \$13 billion in 2021 and \$155 billion over the 10-year reauthorization period for Federal Transit Administration programs, to support mobility and accessibility for American workers and improve their communities. The proposal would streamline grant programs to improve flexibility and reduce administrative burdens and would focus on maintaining current transit assets to improve the state of good repair of the Nation's transit systems. The proposal would also bolster transit systems' safety, support underserved areas, and leverage opportunities to utilize new and emerging technologies.

Reauthorizes Highway Safety Programs. The Budget provides a combined \$1.7 billion in 2021 and \$19.8 billion over the 10-year reauthorization period for NHTSA and FMCSA programs, to continue the Department's efforts to save lives, prevent injuries, and reduce economic costs incurred from traffic accidents involving both passenger and commercial motor vehicles. In 2021 NHTSA and FMCSA will begin conducting a crash causation study, the first such study in more than 15 years. The Budget also

builds on the existing work of the Department to reduce regulatory burdens while improving safety and promoting innovation with emerging technologies such as automated driving systems.

Supports Competitive Grant Programs. The Budget continues to invest in competitive grant programs that partner with communities to deliver surface transportation projects with significant benefits. The Budget provides \$1 billion to the Better Utilizing Investments to Leverage Development (BUILD) program. The Administration proposes to authorize the BUILD program for the first time in its surface transportation proposal. The Budget also provides \$1 billion in discretionary resources to the Infrastructure for Rebuilding America program. These programs use competitive processes to target resources efficiently and effectively, and DOT will focus on strengthening these processes in 2020.

Improves Aviation Safety. The Budget requests \$14.2 billion for the Federal Aviation Administration (FAA), including \$37 million for targeted investments that would improve the FAA's ability to respond to industry innovation, safety, and accountability. This includes \$30 million to improve aviation oversight, following recommendations from the Boeing 737 MAX investigations and reviews, and to make investments in the systems that support the FAA's ongoing safety oversight.

Reforms Amtrak to Provide Better Services. Amtrak's network has not been significantly modified since Amtrak's inception 50 years ago, and long distance routes continually underperform, suffering from low ridership and large operating losses of roughly half a billion dollars annually. Simply put, Amtrak trains inadequately serve many rural markets while not serving many growing metropolitan areas at all. The Administration believes that restructuring the Amtrak system can result in better service at a lower cost, by focusing trains on better-performing routes, while providing robust intercity bus service connections. To accomplish this transformation, the Budget provides \$550 million in transitional grants for States and Amtrak to begin the process to restructure the network. In addition, the Budget provides \$936 million in direct grants to Amtrak, to support investment on the Northeast Corridor and existing State-supported lines, and to assist Amtrak in this transition.

Provides Reforms to the Essential Air Service Program (EAS). Originally designed as a temporary program over 40 years ago, EAS subsidizes commercial air service to rural airports. EAS costs have more than doubled in the past 10 years and many EAS flights are left unfilled and have high per passenger subsidy costs. In addition, several EAS-eligible communities are relatively close to major airports. There are more efficient ways to target Federal funds to address the transportation needs of rural communities. The Budget proposes to reduce the discretionary funding for EAS and reform the program to target Federal funds for communities most in need of their services. The Budget would continue the mandatory resources for EAS at approximately \$154 million.

Advancing Use of Unmanned Aircraft Systems into the National Airspace

FAA is working to safely integrate unmanned aircraft systems (UAS) into the national airspace. The UAS Integration Pilot Program (IPP) is a unique project that brings together diverse stakeholders to further safe integration and address community engagement, including concerns of State, local, and tribal governments. The IPP brings State, local, and tribal governments together with private sector entities, such as UAS operators or manufacturers, to test and evaluate the integration of civil and public drone operations into the national airspace. There are nine IPPs, which began in 2018, and have resulted in new drone operations such as night operations, flights over people and beyond the pilot's line of sight, package delivery, and development and testing of new technologies for detect-and-avoid capabilities and data security. The FAA also recently proposed new regulations that require remote identification of UAS in the national airspace, to address safety, national security, and law enforcement concerns and enable greater operational capabilities.